

Striking gold at the

Schools Involvement Fair

The Schools Involvement Fair is an economic, social and cultural treasure for the local community. In 2002, the fair contributed \$337,577 in economic impact to Los Angeles County, created seven local jobs and generated \$2,480 in local tax revenues.^{1 2 3}

The Schools Involvement Fair conducts the annual fair in leased space at the local Whittwood Mall; therefore, economic and social impacts in this report are limited to fairtime activity. Without a permanent fairground facility, this fair organization does not conduct year-round events.

The 48th District Agricultural Association — the legal body governing the fair and fairgrounds — is a state entity. However, the fair organization does not receive money from the state general fund. Rather, it is funded through revenues it generates locally and \$150,000 it receives annually from a licensing fee on wagers placed on horse racing. Pari-mutuel wagering on horse racing in California was allowed through a constitutional amendment in 1933, with a portion of the revenues designated to support the network of California fairs.

The California Department of Food and Agriculture's Division of Fairs and Expositions engaged the firm of KPMG LLP to measure the annual economic and social impacts of the Schools Involvement Fair and produce a report detailing their findings.⁴ Based on information presented in this report, the fair organization should be considered a gold mine for their community and the Golden State.

Economic Impact: At the Assayer's Office

In 2002, the fair organization created significant economic impacts on the local economy.

- Overall spending by all participants resulted in a total economic impact on the county of \$337,577.
- Attendee direct spending totaled \$8,636.
- Annual personal income impact from attendee, fair organization and fair-related business spending totaled \$242,403.
- Full-time equivalent jobs created by the fair organization through direct employment and multiplier impacts totaled seven.
- City and county governments collected an estimated total of \$2,480 in tax revenues from fairtime activities.
- For each worker the fair organization and related business employs, an estimated 0.64 additional jobs are created in the county. For each dollar that economic participants pay their employees, an estimated \$1.55 in total personal income is produced in the local economy.
- Each dollar spent by the fair organization generates an estimated 41 cents of additional spending in the county, for a total impact of \$1.41 per dollar spent.

Agriculture: The Gold Nugget

A central feature of the fair is to educate people about the importance of agriculture in California.

- Ninety-four percent of fairgoers felt that they knew more about agriculture after going to the fair.
- During 2002, the fair judged 3,094 exhibits, including 656 agricultural exhibits. This resulted in \$28,077 paid in prize money to fair participants.
- The fair's junior exhibit program is a learning laboratory that makes agricultural education come to life. The program gives young people an opportunity to demonstrate new knowledge, compete and be rewarded by ribbons and prize money.

Fair-Related Businesses: Services to a Golden Industry

Fair-related businesses provide many goods and services that are essential to the fair experience.

- Commercial exhibitors generated \$3,841 in local spending and \$1,317 in personal income. Attendee spending on commercial exhibitor merchandise totaled \$6,782.
- Combined economic impact of spending by commercial exhibitors plus attendee spending on commercial merchandise at the fair totaled \$10,623.
- Entertainment at the fair created \$2,882 in local spending and \$2,256 in local personal income.

Attendees: A Golden Treasure

Californians love their fairs!

- Total annual attendance at the Schools Involvement Fair was 6,000 people in 2002.
- The average visitor attends the fair 1.6 times per year and lives within 100 miles.

Social and Cultural Impacts: Giving Back

While the economic impact of the fair is remarkable, it is the social and cultural impacts that may leave the most lasting impression on Californians. The fair entertains, but it also educates people about each other and the contributions that all segments of our society make to the local community and the Golden State.

- The fair provides a focal point for community members to celebrate their heritage, compete in a variety of events, hold family reunions, display and view artwork, learn about other cultures, premier new inventions, and showcase the best of California.
- Ninety-six percent of attendees agreed that the fair provided worthwhile community benefits.

Conclusion: A Golden Legacy

As this profile of the Schools Involvement Fair illustrates, fairs entertain and educate, but they also have immense economic, educational, social and cultural impacts. Economic impacts range from spending by attendees and businesses to nonprofit fundraising to job creation and to tax revenues. From people's paychecks to community services, the return on investment from fairs is widespread.

Fairs, however, represent much more than dollars-and-cents. Fairs offer a link between urban and rural California. They serve as tools for educating Californians about the importance of agriculture and introducing young people to both traditional and innovative aspects of life on the farm.

Fairs reach far beyond their agrarian roots and encourage industries and individuals to strive for excellence through competitions. Winning the blue ribbon at a fair competition is a great incentive to showcase the best of California.

Finally, through their social and cultural impacts, fairs embody the community spirit and highlight the diversity of the Golden State.

Gray Davis, Governor of California

William (Bill) J. Lyons Jr., Secretary
California Department of Food and Agriculture
Division of Fairs and Expositions

Schools Involvement Fair

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¹ The economic impacts presented in this profile are local in nature and are for Los Angeles County only. Economic impacts presented in *Fairs: Exploring a California Gold Mine* are for the entire state of California. Since the impact areas in the two studies are different, results of the two studies are not directly comparable.

² For study methodology, refer to Appendix B of *Fairs: Exploring a California Gold Mine*.

³ Jobs are measured by full-time equivalent counts. Due to the heavy reliance on temporary and part-time workers, the actual number of jobs is much greater.

⁴ This report was prepared by KPMG at the request of the California Department of Food and Agriculture (CDFA), Division of Fairs and Expositions (F&E) for the exclusive benefit of CDFA-F&E and is subject to limitations described herein. KPMG relied upon data and other information provided by F&E and other sources, which were not independently verified by KPMG.